Export of finished goods

1762. SHRI S. ANBALAGAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the percentage of India's exports of raw material and finished/ manufactured goods;

(b) whether the country's export is predominantly raw materials only;

(c) if so, the details thereof and the reasons therefor;

(d) whether any specific steps were taken/proposed to be taken to encourage export of manufactured/finished goods rather than raw materials; and

(e) if so, the details thereof and the results achieved/proposed to be achieved thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) Items exported from India involve different stages of processing/manufacturing. It is therefore difficult to categorise exports of raw materials, semi-finished goods and finished goods. However, based on provisional data of Directorate General of Commercial Intelligence & Statistics (DGCI&S), Kolkata, primary products consisting mainly of agriculture and allied products, ores and minerals constituted around 15% of total exports whereas manufactured goods consisting mainly of textiles (including handicrafts and carpets), gems and jewellery, engineering goods, chemicals and related products, leather and leather products etc., but excluding petroleum products constituted around 74% of total exports in 2004-05.

(d) and (e) It has been the endeavour of the Government to increase value addition in exports by encouraging manufacturing activities. The strategies formulated to encourage manufacturing activities include technological and infrastructural upgradation through import of requisite capital goods and equipment, correction of inverted duty structure and ensuring that domestic industry is not disadvantaged in free trade agreements/regional trade agreements. It is as a result of these endeavours that the share of manufactured goods in the total exports of India has increased in recent years.